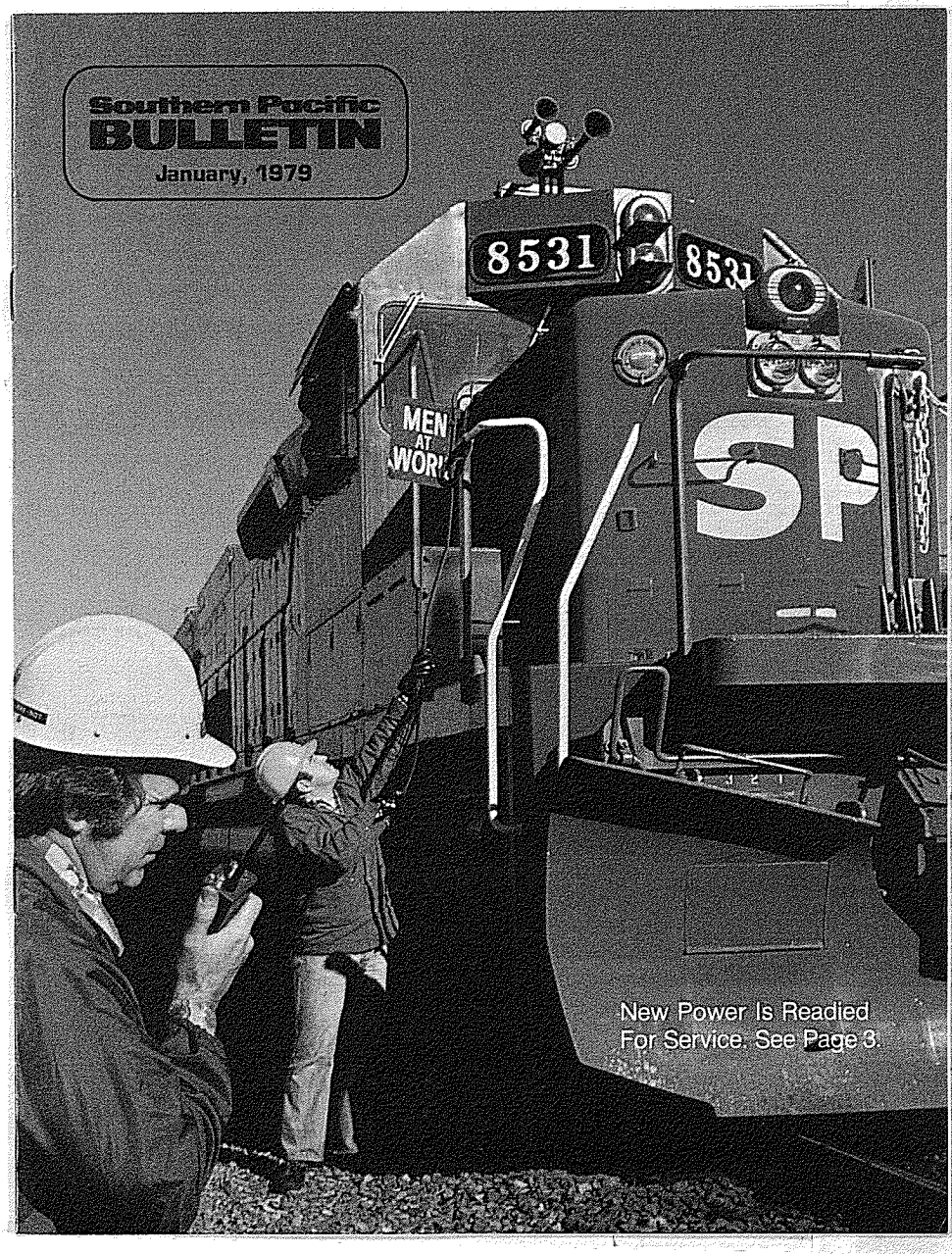
Southern Pacific BULLETIN

January, 1979



New Power Is Readied For Service. See Page 3.

SOUTHERN PACIFIC BULLETIN
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COVER

Pine Bluff Mechanical Department Foreman Leo Cook confers with yardmaster by radio as locomotive units are readied for an outbound train. Hanging the "Men at Work" sign is Electrician B.R. Tooke. The 3,000-horsepower, six-axle units pictured are now in service on the Cotton Belt and the Texas and Louisiana Lines. They are among the 179 new locomotive units being acquired as part of SP's record 1979 capital improvement program. (See page 3.)

ROBERT G. OTTMAN
Editor

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Assn. of Railroad Editors

We Can Make It a Good Year

The beginning of a new year is a good time for assessment — for a look back at the record for 1978 and a look ahead at the demands of 1979.

Here are some highlights of what our Company accomplished with your help last year:

- We hauled over two million carloads of freight for our customers.
- Our truck lines handled 6.6 million tons of freight over the highways.
- We transported 382,000 containers and trailers in piggyback service.
- Our pipeline network moved 232 million barrels of refined petroleum products and nearly 2.7 million tons of coal.
- We located over 450 new carload shipping industries along our lines.
- Our car and locomotive plants gave heavy overhauls to 5,900 freight cars and over 300 locomotive units.
- We installed over 1.6 million ties and more than 500 miles of continuous welded rail.
- We added 182 more miles to our microwave network, bringing the system total to nearly 8,100 miles.

As you can see from this sampling, 1978 was a busy and productive year for our Company. Yet for us and for the railroad industry as a whole, it was not the best of years. It was a year of ups and downs, achievements and disappointments.

Despite a series of strike and weather-related problems, the nation's railroads set all-time records for ton-miles and gross freight revenues last year, but industry earnings remained at rock bottom levels. Final 1978 figures are expected to show a rate of return on net investment little better than 1977's all-time low of 0.89 percent.

Even with low earnings, however, the railroads continued to pour funds into their rehabilitation programs. Total spending for improvements and maintenance is expected to exceed 1977's high of $8.7 billion.

There were also legislative gains in the year just past. For example, Congress, for the first time, imposed a user charge on commercial users of the nation's inland waterway system. The charge, in the form of a small fuel tax, will not come close to recovering the costs for maintenance and new waterway construction, but the principle established is an important first step.

1978's achievements confirm the fact that there continues to be a strong demand for railroad services, that the industry is essentially dynamic and responsive, and that Congress is — at long last — willing to take some significant steps toward correcting government policies which discriminate against railroads.

As we move forward in 1979, Southern Pacific is expressing a resounding "vote of confidence" in the future of our Company and industry by announcing the largest capital investment program in SP history. (See page 3.)

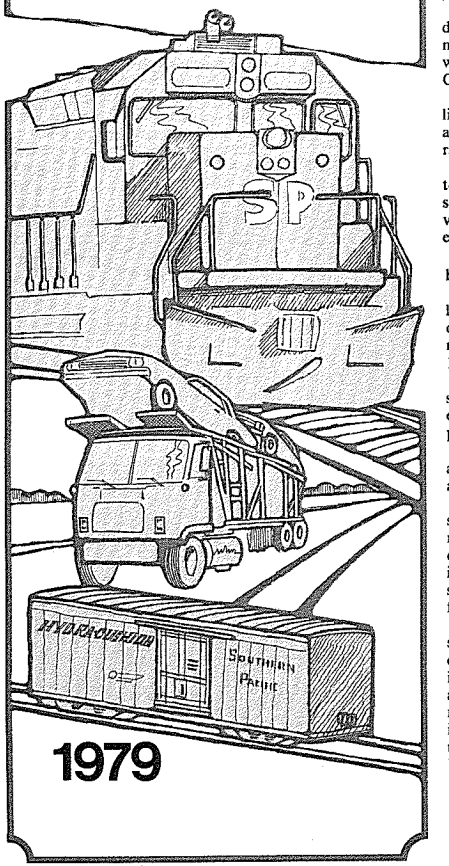
This $550 million program will help assure that our people will continue to have the finest tools and plant in the railroad industry — sufficient not only for the months ahead, but to meet the greatly increased transportation challenges extending into the 1980's.

There are, of course, uncertainties in the outlook for 1979, as the nation battles such difficult problems as inflation and the energy shortage, but we at SP can make it another good year for our customers, our owners and ourselves. By producing to the utmost of our abilities as members of a smooth, well-coordinated team, we can offer the kind of transportation service that will benefit all of us. It's up to us.

D. F. Biaggini

Chairman

Record Capital Improvement Program



The Company's 1979 capital investment program is almost double that of any previous year in SP history.

Southern Pacific Company has budgeted over $550 million for capital improvements in 1979.

This year's planned capital investment is almost double the $268 million in improvements made in 1978 and is well above the $292 million spent in 1974 — the previous record year.

"Southern Pacific's railroad subsidiaries are anticipating delivery this year of 179 new locomotives and more than 6,000 new freight cars at an estimated cost of $350 million, a sum which by itself represents a record capital program for the Company," SP Chairman B. F. Biaggini said.

SP also plans capital expenditures of more than $100 million in modifying and rebuilding existing rail equipment, and in improvements to track, roadbed, signals and other railroad facilities.

The 1979 capital programs of SP's non-railroad affiliates total approximately $100 million more, the SP chairman said, for SP's trucking subsidiaries, land and industrial development activities, pipelines, and for expansion of Southern Pacific Communications Company's national network.

The rail equipment purchases include 3,418 boxcars, 1,206 hopper cars, 951 flatcars, 387 gondola cars and 50 cabooses.

Last year, SP acquired 902 new freight cars and 122 new locomotive units, and in addition, completely rehabilitated over 2,000 freight cars and gave heavy overhauls to 3,900 more. Similar car rebuilding programs are continuing in 1979, Mr. Biaggini said.

Pacific Motor Trucking Company and other SP trucking subsidiaries plan acquisition of 919 new units of highway equipment this year, at a cost of about $18 million, compared to 151 units, costing about $5 million, in 1978.

SP Pipe Lines will increase its pumping capacity in 1979 and install additional vapor control equipment to meet state and federal environmental regulations.

SP Communications Company plans to expand transmission and switching facilities on its existing communications network, mainly in California and the Midwest, and add new construction to serve additional markets. Judicial decisions in 1978, together with Federal Communications Commission tariff approvals, have resulted in a tremendous demand for SPCC's long distance services.

SP Industrial Development Company plans to progress street construction, utility improvements and other work required to subdivide an additional 2,000 acres of SP-owned industrial land. This will increase the number of "ready sites" available for prospects seeking new plant locations on SP rail lines. The program will result in the creation of seven new industrial parks and the expansion of 13 existing SP industrial developments located in Oregon, California, Nevada, Utah, Arizona and Texas. □

Shopping for 100,000 Items

Tons of steel, mountains of paper, forests of lumber and rivers of fuel are required for the operation of SP's transportation system . . . and the Purchases & Materials Department has responsibility for doing the shopping.

If you've ever gone to the grocery store with a shopping list, you can appreciate the size of the job SP's Purchases & Materials Department has to do. Its shopping list runs to more than 100,000 different items.

Last year the department spent about $400 million for these items — the materials and supplies needed for the day-to-day operation of the Company and its affiliates. That adds up to about $1.1 million a day or $45,000 an hour, 24 hours a day, every day of the year.

"It's a lot of money," General Purchasing Manager D. K. (Don) Rose points out, "and it doesn't even include the additional millions SP spends for large capital items like rolling stock for our railroad and truck lines. We're also responsible for making those purchases. (See page 3 for a story on SP's record 1979 capital improvement program.)

"Our challenge, of course, is not just to spend the Company's money, but to get maximum value for every one of its hard-earned dollars."

In meeting the needs of the various parts of our transportation system, the P&M Department must deal in giant quantities — rivers of fuel, tons of steel, mountains of paper and forests of lumber, for example. Items on its shopping list range from staples at 17 cents per thousand to diesel locomotives at nearly $700,000 each.

Diesel fuel, which keeps some 700 trains a day rolling over our railroad, is the largest single supply item purchased by the department.

"We buy approximately a million gallons of fuel a day which, at today's prices, costs SP about $350,000," Rose says. "We negotiate for price reductions of fractions of a penny per gallon. A one cent reduction can save us $10,000 a day."

Here are some examples of major steel purchases made by the department in 1978:

- New rail: 50,640 tons, enough to lay 211 miles of track.
- Steel wheels: 36,000, enough for 4,500 freight cars.
- Tie plates: one million, a sizeable item at $4.70 each.

Modern railroads operate on paper as well as steel. Last year, for example, the department purchased more than 24 million sheets of just one type of computer print-out paper. These sheets, laid end-to-end, would make a continuous strip 4,218 miles long.

SP uses lumber in all shapes and sizes. For freight car flooring alone, the department purchased more than 1.2 million board feet in 1978. It also bought about two million crossties, and such odd items as tie-plugs — used to fill the holes left in ties after the spikes have been pulled during rail replacement programs. It purchased about nine million of these small wooden dowels last year.

For employees in train, yard and engine service, the department acquired over half a million lantern batteries and about a million fusees in 1978. And the list goes on and on.

Rose points out that the Company spends about 23 cents out of every gross income dollar to purchase the fuel, material and supplies needed to maintain and operate SP service.

"Keeping costs down is the name of the game," he emphasizes. "The more effectively we can do so, the more SP dollars there will be available for improvements that can better the Company's competitive position and benefit all of us."

"The soaring inflation of recent years has made the task especially difficult," he adds, "and there doesn't appear to be any let-up in sight. Just this month, for instance, the steel companies increased the price of rail by $20 a ton, which will have the effect of adding more than three-quarters of a million dollars to the cost of our 1979 rail program."

One of the P&M Department's most effective ways of holding the line on costs, Rose points out, is by keeping inventories low, so that as little as possible of the Company's working capital is tied up in "stock on hand."

The department uses three different purchasing methods, each adapted to a particular type of material. All three help minimize inventory build-up.

Certain key items used regularly and in predictable quantities for car and locomotive maintenance are purchased through a computerized ordering system called "CHIC" (Centralized High Value Inventory Control). Included are such items as locomotive parts and freight car wheels and axles.

A computer calculates how much of a given item to order and how often to order it, based on economic factors, inventory information from the field and vendors' delivery schedules. It then produces a purchase order from data stored in its "memory."

More than $62 million-worth of high value items are ordered annually through the CHIC system, accounting for only about two percent of the department's total shopping list for car and locomotive maintenance, but about 80 percent of the dollars SP spends for this purpose.



Diane McClelland, buyer, San Francisco, is responsible for purchasing rail, track materials, and car and locomotive wheels and axles. She has been a buyer since 1969.

Items associated with programmed work are purchased on a minimum lead time basis. Among them are such things as rail, tie plates and spikes for relaying programs; and steel plate and lumber for upgrading boxcars. By keeping in close touch with the using departments, P&M people can "fine tune" the delivery of these items, so that they arrive shortly before they are actually needed.

"Bread and butter" items are purchased on a "field order" basis from local merchants whenever possible. These are small quantity purchases such as a pound of nails, a can of paint, spark plugs or janitorial supplies. The local hardware store, lumber yard or parts house maintains the inventory, and our supervisors and foremen are able to obtain supplies as needed. The department has about 8,000 of these field orders in force. Field order purchases are monitored by computer, and P&M people also check on them by making field audits.

Thanks to the department's three purchasing methods, materials are stored on our property — on the average — less than 60 days before being used.

"Vendors play an important part in helping us keep our inventories low by stocking many items such as car and locomotive parts at local points, so that we can draw on them as needed," Rose explains.

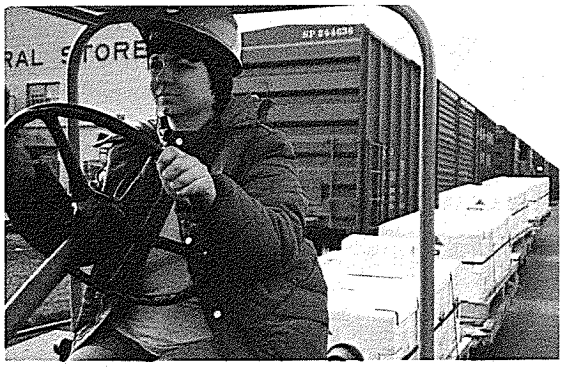
In order to keep materials flowing to the major car and locomotive plants along our lines, the department conducts warehousing operations at Sacramento, Roseville, Los Angeles, Tucson, Houston and Pine Bluff. About 250 of the department's 300 employees are involved in these activities. The Sacramento warehousing center, P&M's largest, also distributes locomotive components rebuilt in the shops.

"To the extent possible, all our pur-

Continued on page 14

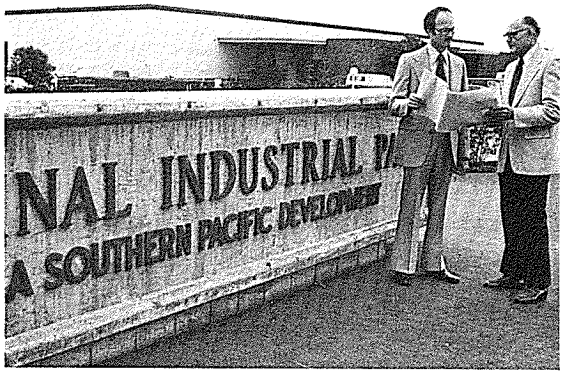
RIGHT: Sacramento Tractor Operator Linda Kent drives an "elephant train" loaded with locomotive batteries. BELOW: Conferring at Sacramento, largest of the P&M Department's six warehousing centers, are (l-r): James E. Wilson, manager, purchasing and materials, and Harry C. Rubens, general foreman, both of Sacramento, and Ralph J. Balanesi, material manager, San Francisco.







Holding office meeting with the five purchasing managers on his staff is Harry T. Parigini (left), assistant general purchasing manager. Clockwise, they are: William T. Money, Carroll C. Evatt, Harry W. Meedon, Peter J. Filios and Jordan Coleman.



At SP's El Pinal Industrial Park in Stockton, Calif., Chuck Klees (left) and Sylvin Lange, executive director of the San Joaquin County Economic Development Association, look over possible industrial sites for a company that wishes to locate in the area.

Specialist Sells Industries On SP's Rail-Served Parks

His title is Industrial Development Specialist. It sounds good. Looks impressive on a business card. But what, exactly, does it mean? Chuck Klees knows. It's his job.

As an industrial development specialist for Southern Pacific Industrial Development Company, an SP Land Group subsidiary, Charles F. Klees, Jr. works to attract freight-generating industries to locations along SP rail lines. This may involve selling or leasing SP's own property, or assisting private developers or municipalities develop and market their properties.

"No two days are ever quite the same," Chuck explains in his San Francisco office. "This job involves considerable public contact, always keeps me on-the-go and, best of all, offers a variety of responsibilities."

His territory includes California's San Joaquin and Sacramento Valleys, roughly an area from Bakersfield to Redding, and includes four fully developed SP industrial parks and eight semi-developed SP industrial properties, totalling over 1,200 acres, plus 11,000 acres of undeveloped SP industrial land. Approximately two days each week are spent out in his territory — showing clients potential sites or meeting with city officials. His days in the office are spent processing his industrial land sales or gathering statistical information about a particular site for one of his clients.

SP goes all-out to attract new industries to its territory and, at the same time, provides all the information companies need when they are considering locating here.

"By calling on companies considering new plants, we are able to make them aware of the variety of industrial sites available," Chuck says. "Often, this generates a request for more information — especially among companies whose operations are dependent upon rail service. Through our relationship with other SP departments — Traffic, Operating, Engineering and others — we can offer various areas of expertise."

Chuck must be able to respond quickly with confidential and objective information about possible sites for a manufacturing, processing or distribution facility that a company plans to establish. This information includes land cost and ownership, taxes, labor supply, zoning, utilities, highway patterns and rail services.

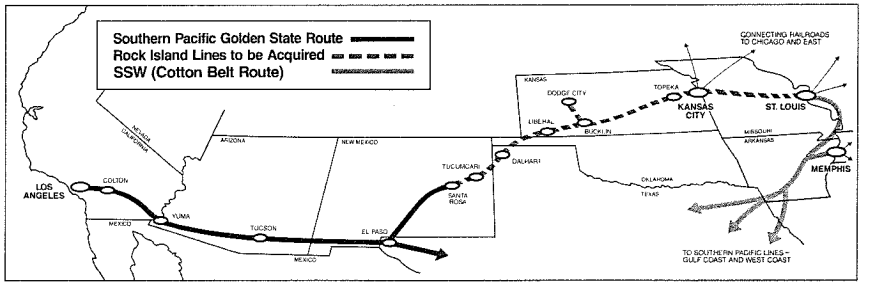
In addition to his client's needs, Chuck must be tuned in to each community's views on economic and industrial development. "One of the important responsibilities of this job," he points out, "is to know these views and to be able to work with both the client and the community in finding the right match. In the last year, I've noticed a more positive attitude among cities. They see additional economic and industrial growth as more jobs for their residents and a boost to their economic base."

SP is a major developer of rail-served industrial parks — 70 over the entire system. Today's industrial parks are not only attractive, they're versatile. A well-planned park will have parcels of land in various sizes, Chuck explains, to attract large, as well as small, industries. Parcels of land may range from one acre to over 100 acres. The parks may be "ready sites" where streets and utilities have been installed and subdivided, or the park can be developed to suit a client's special needs — a process that often concerns the industrial development specialist who assists his Planning and Engineering Department with the location of streets and the extension of drill and spur tracks to serve the individual parcels.

One of his most active properties has been Tolenas Industrial Park in Fairfield. "It offers a central location to the markets in the Bay Area and the Valley. There is a good labor force and the price of the land makes it one of the best buys in the San Francisco Bay Area."

Yet it isn't ideal for every one of his clients. "I have to evaluate each site in terms of the needs of my client," Chuck says. "Requirements may range from a site with adequate waste disposal to one that fits a corporation's 'identity.' Each client represents a special challenge. That's why the job is never routine."

Chuck, who is 25 years old and single, graduated from the University of Arizona with a Business Administration degree specializing in Regional Development. Presently, he is working toward a second major in Real Estate. In his spare time — yes, there is some, he says, but it is limited — he devotes time as a Junior Achievement adviser for an SP-sponsored company and enjoys racquetball, golf and skiing. □



SP Submits Plan to Buy Rock Island Route

Southern Pacific and the Rock Island Railroad have taken another step toward the acquisition by the SP rail system of a 965-mile segment of Rock Island lines, which will preserve an important competitive rail route between the Midwest and points in Southern California and the Southwest.

Southern Pacific, the Cotton Belt, and the Chicago, Rock Island and Pacific Railroad Company have filed a joint application with the Interstate Commerce Commission for the purchase of Rock Island railroad properties and operating rights between Santa Rosa, New Mexico, and St. Louis, via Kansas City by the Cotton Belt.

The line is part of the "Golden State Route," which has been operated by the Rock Island and Southern Pacific for more than 70 years.

The purchase would enable SP and the Cotton Belt to provide single-system service over this historic route and connect directly at Kansas City with several additional Midwestern railroads, including the Rock Island. Approval of the application would culminate a 15-year SP effort to obtain the line and strengthen what it calls the "potentially most efficient rail route between Southern California and the Midwest."

The Cotton Belt would purchase the Rock Island lines involved and operate the major part of the main line, from Tucumcari, N.M., to St. Louis, plus the 26.5-mile branch line between Bucklin and Dodge City, Kansas.

SP Transportation Company would operate the 59-mile segment of the main line between Santa Rosa and Tucumcari, which it has operated under lease from the Rock Island since 1907.

Rock Island employees whose jobs are transferred will become Cotton Belt employees.

Rehabilitation will be necessary for the route extending northeast from the present SP-RI connection in New Mexico. This will improve service to shippers and increase competition on this important route, and provide continued support for the economy of the area and railroad employment.

Filing of the multi-volume application with the ICC followed an agreement last April between SP and the trustee of Rock Island which set a price of $57 million, to be paid in cash at the time the transaction is closed. The project has already been considered by the U.S. District Court in Chicago having jurisdiction over the reorganization case of the Rock Island, and the court-approved presentation of this transaction to the ICC.

Reports of consulting firms which have studied the project recommend that SP and Cotton Belt undertake a $224 million program to rehabilitate the line's rail, roadbed, crossties, bridges, signals and structures over a three-year period.

The rehabilitation would enable the route "to participate in future economic growth," the application noted.

The work would also enable Southern Pacific and Cotton Belt to offer shippers a 400-mile shorter route for the substantial amount of traffic moving between the Pacific Coast and the St. Louis gateway.

"This shorter route will conserve energy in the national interest and will yield substantial operating efficiencies and strengthen the financial base of these carriers," the application said. "This will result in a savings in fuel consumption of 9.8 million gallons per year and a savings in expenses of $33 million per year."

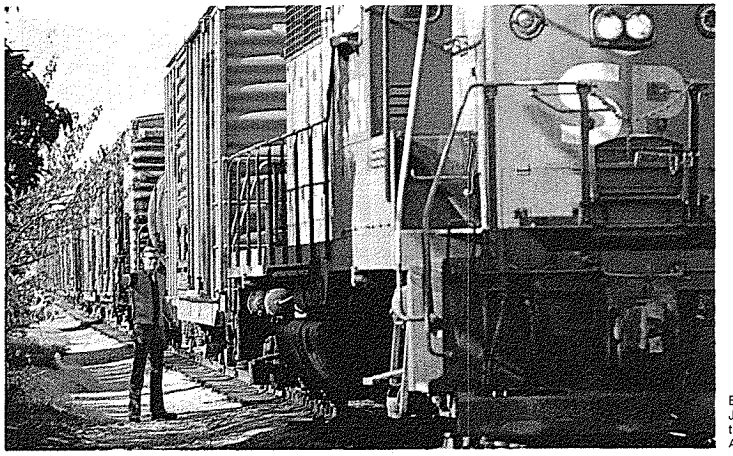
The Rock Island trustee said the purchase would also provide $57 million in cash which will enhance the prospect of a successful reorganization.

Rock Island would retain a half-interest and joint operating rights on the line between Topeka and Herington, Kansas, which is part of its major north-south route providing single-line service from Minnesota, Iowa and Illinois to the Gulf of Mexico.

The purchase would give the SP rail system a total of 14,411 miles of railroad in 14 states. □

Santa Ana Branch

Vital Link For Industry



Brakeman Lee Roberts signals Engineer James Martin as cars are set out at one of the industries served by SP on its Santa Ana Branch.

Food and paper products, lumber and chemicals make up nearly 85% of the estimated 58,500 carloads handled on the Santa Ana Branch last year.

Running south from Los Angeles through some of Orange County's most pleasant communities is a bustling Southern Pacific branch line that tells the state's remarkable growth story in a microcosm.

Passing within a stone's throw of Disneyland, Knott's Berry Farm and other popular tourist attractions, the 34-mile Santa Ana Branch is handling record volumes of rail business for SP's Los Angeles Division.

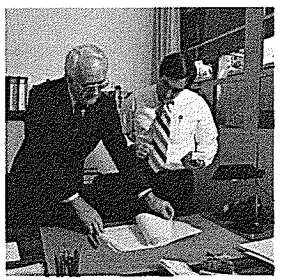
Location of heavy industrial consumers along the line — some of them on choice SP developed parcels — has boosted annual carload business on the branch from 15,910 cars in 1958 to an estimated 58,500 cars last year.

"Business and industry still look to this area as a prime location," says C. E. Leahy, SP's district sales manager at Anaheim. "Climate, manpower, the good recreational and educational facilities and the availability of transportation service have combined to provide strong incentives for industries to locate along the branch."

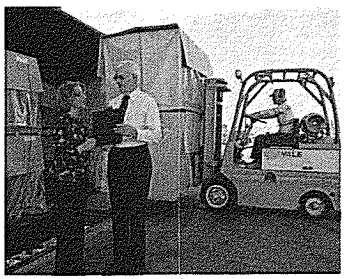
Operating out of our nearby yard at City of Industry, three trains per day and 13 switch engines are kept extremely busy serving the growing transportation needs of SP's Orange County customers. The bulk of the business is inbound, with about nine cars shipped onto the branch for each car that's moved outbound.

"Much of our new growth has been derived from major warehousing and distribution operations," noted Leahy in explaining the heavy preponderance of inbound traffic.

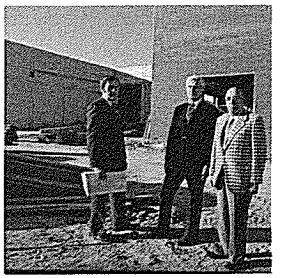
SP's top customers on the branch include the Los Angeles Times, General Foods, Humko Products, Hunt-Wesson Foods, Safeway Stores, Lucky Stores, the Kelly-Springfield Tire Co., George Pacific Corp., Western Kraft Paper Group, J. C. Penny Co., and Kraft Foods.



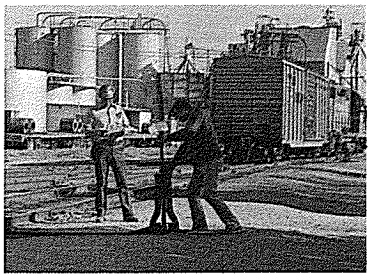
C. E. Leahy (left), district sales manager at Anaheim, confers with Austin Rattigan, general traffic manager for Hunt-Wesson Foods, Inc. at Fullerton.



An SP boxcar is loaded with cardboard manufactured at Monsanto's facility in Anaheim. Shown with C. E. Leahy is Monsanto's Traffic Specialist Bonnie Highlen.



Freedom Newspapers, Inc. is constructing its new facility on SP Industrial Development Co. land in Anaheim. Shown with SPIDCo's Area Manager Carl Hillquist (left) are Freedom Newspaper's Financial Vice President Richard Walker and Chairman Clarence Hoiles.



Conductor Arthur Larson, Jr. (left) and Brakeman David Herron set out cars for the Coast Grain Co. at Norwalk.

Food products, paper products, lumber and chemicals make up nearly 85 percent of the traffic handled on the branch. A major commodity SP hauls is newsprint, which is handled in large volumes to a regional Los Angeles Times production plant in Costa Mesa.

Newsprint volume is expected to expand in February when teamwork between SP's rail operations and Southern Pacific Industrial Development Co. pays off on a 4.5-acre site in Anaheim.

Freedom Newspapers, Inc., which owns a chain of 26 newspapers throughout the nation — including three in Orange County — will be opening a 90,000-square-foot, rail-served warehouse and office complex on land purchased from SP. The facility will have 90 to 100 employees.

Over the past 10 years, SP's Industrial Development Company has located hundreds of rail-served businesses on more than 1,600 acres of land adjacent to the branch, generating many new jobs and strengthening the area's economic base.

"I feel that the best years for SP in this area are still ahead," says Leahy. "With our projected service improvement and new marketing techniques, the potential in Orange County is almost unlimited."

—Rich Hall

AROUND the SYSTEM

Burkett Retires

Charles W. Burkett, general solicitor in the Law Department at San Francisco, has retired after a 34-year Southern Pacific career.

A graduate of Stanford University and Stanford Law School, Burkett was admitted to the bar in 1939 and joined Southern Pacific in 1944. He was named general attorney in 1956, assistant general counsel in 1960 and general solicitor in 1963.

Burkett, who is widely known as one of the leading commerce lawyers in the U.S., handled some of the most important legal work in the commerce field facing SP and its affiliates.

He is a director and past president of San Francisco Law School, a member of the Association of ICC Practitioners, and past chairman of the San Francisco Chapter of the American Bar Association.

Repairs Underway on Fire-Damaged Tunnel

Tons of rock and burned timber are being removed from a fire-damaged Northwestern Pacific Railroad tunnel as repairs on the 4,314-foot structure continue in California's Trinity County.

Seventy men, working two 10-hour shifts a day, began excavating debris from both ends of the tunnel in December.

Crews are spraying three to four inches of concrete on the roof and walls of the tunnel to cover exposed rock and prevent deterioration. Steel will be used to reinforce the structure where necessary.

Caved-in rock and timber have blocked about 1,700 feet and the fire damaged an additional 700 feet of the south end of Tunnel 27, located in the Eel River Canyon, just north of Island Mountain and about 90 miles south of Eureka.



A San Francisco First

Recent improvements to SP intermodal facilities in San Francisco include new tracks with space for 50 cars, parking for 400 containers or trailers and a piggypacker — first to go into operation in the city. Discussing the unit's characteristics with San Francisco Port Director Edward L. David (right) is SP Asst. Vice President - Intermodal Traffic Thomas A Fante. SP has 23 units, including both cranes and piggypackers, with overhead lifting capacity on the system.

TOFC Perishable Shipments Will Cost Less

Substantial reductions in rates for piggyback shipments of fresh fruits and vegetables from California and Arizona to the Midwest will soon be made by Southern Pacific.

A $248 reduction in the rate for round-trip carriage of shipper-supplied refrigerated trailers, moving two to a flatcar, from Los Angeles, Oakland, Salinas, Fresno, San Jose, Stockton, Phoenix or Yuma to rail terminals in Chicago, Memphis or St. Louis will become effective in early March.

"This is just part of our effort to recapture traffic that we have lost to unregulated truckers—truckers, who, unlike railroads, can adjust prices to meet market conditions," SP Transportation Company President D. K. McNear explains.

SP's reduction will drop the rate for the trailer-on-flatcar (TOFC) movement of two trailers carrying perishables from the six California and two Arizona points to the major Midwest distribution centers to $1,544 from $1,693 with the rate on the return leg dropping to $1,933 from $2,032.

The reduction is split between the eastbound and westward movements to encourage use of refrigerated trailers, McNear states.

Southern Pacific is also offering reductions as high as $433 per carload for TOFC shipment of perishables in refrigerated trailers from Oakland and Los Angeles to the Midwest to shippers of 1,500 or more cars per year.

SP's Fire Protection Efforts Cited

Southern Pacific has received commendations for its "outstanding efforts in fire prevention" from the Northwest Interagency Fire Prevention Group, composed of the Washington Department of Natural Resources, Region 6 of the United States Forest Service, the Bureau of Indian Affairs, the Oregon State Department of Forestry and the Bureau of Land Management. The railroad also received a second commendation from Keep Oregon Green.

At the 19th annual Cooperative Fire Meeting of Railroads and Forest Service Agencies in Eugene-Springfield, Oregon Division Superintendent Joseph E. Neal received a plaque of appreciation from Keep Oregon Green and the framed letter of commendation from the other agencies.

The commendation was based upon a number of considerations including SP's sponsorship of fire-prevention conferences between railroads and fire protection agencies over the past 19 years, "providing an important forum for fire prevention discussions and interchange of information."

The railroad was also cited for "promptly responding to right-of-way hazard-reduction programs; almost completely eliminating a serious fire problem in the Siskiyou Mountain area with a cooperatively developed water sprinkler car program; aggressively pursuing a brake-shoe-conversion program to reduce sparks; response in a positive and effective manner to the concerns of forest protection agencies during the 1977 severe drought period; and the cooperative attitude of its employees in dealing with fire prevention problems."

Bulletin Board

Elected or appointed to various posts: **David V. Ward,** clerk, Klamath Falls, as worshipful master of Pondorosa Lodge No. 220 and as commander of Hillah Temple Shrine Legion of Honor, both at Klamath Falls; **Lee Ness,** assistant to controller, Pacific Motor Trucking Co., Burlingame, as a member of the San Leandro (Calif.) Historical-Cultural Advisory Commission; **W. G. Ackerman,** manager, safety and personnel, PMT, Burlingame, as vice chairman of the (statewide) Council of Safety Supervisors of the California Trucking Association.

Richard Futrell, contract administrator, Law Department, San Francisco, recently received the PTA Honorary Service Award given annually by Daly City's Thomas Edison School for outstanding service to the community.

C. J. Dinkelkamp, retired freight traffic manager at St. Louis, scored a hole-in-one at the age of 81, a short time ago.

Programmers Serve on Special Review Board

Five SP computer experts from Operating Data Systems in San Francisco recently served as volunteer members of a Technical Review Board to help evaluate the progress of handicapped people learning to be programmers.

The students, many of whom are blind, totally deaf or severely paralyzed, were taking a nine-months course in computer technology offered by the Center for Independent Living in Berkeley and funded by the State Department of Rehabilitation.

Each of the SP people spent one or more full days with the students during the course, evaluating their work and showing them how principles learned in the academic world are applied in the real world of business. At the end of the course, they "certified" the students as qualified to be programmers. Several now have jobs in this field.

The five SP people are: Supervisor Bill Quirk, Senior Systems Specialist Dan Sekella and Senior Systems Analysts Joe Duarte, Norma Edmondson and Joan Gallagher.



C. M. Clark, a drawtender on the Cotton Belt, received the Eagle Eye Award for reporting a loose wheel on a car.

Safety Award Winners

Honored in recent weeks with SP's Eagle Eye Award for "special alertness in finding defects which were not easily seen through regular observation and for taking action which prevented possible accidents" were:

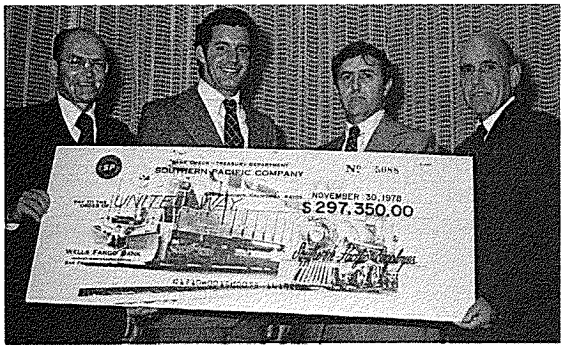
Tucson Division: **J. D. Swicegood,** carman; **J. J. Kinnick,** electrician. Sacramento Division: **M. L. Hardisty,** switchman. Houston Division: **E. L. Tucker,** carman. San Antonio Division: **W. R. Taylor,** engineer. Los Angeles Division: **M. L. Brand,** fireman; **R. G. Bates,** engineer. Oregon Division: **L. G. Lineko** and **R. H. Peterson,** brakemen; **R. D. Brian** and **D. N. Wood,** extra gang foremen; **M. C. McDougall,** student foreman; **J. A. Boykin,** laborer; **Mary A. Munson,** brakeman; **T. L. Lowrey,** engineer. Cotton Belt: **W. F. Reed,** superintendent; **C. M. Clark,** drawtender.

Named members of the *Golden Shoe Club* for having avoided foot injuries because they were wearing safety shoes were:

T. B. Munn, machinist apprentice, Los Angeles Division; and **G. M. Saunders,** electrician helper, Sacramento Division.

A Great Team Effort

Once again, United Way and similar community campaigns benefit from the generosity of SP employees.



A giant check for $297,350—this year's record gift from Southern Pacific employees to United Way of the Bay Area—is handed over to William Hutchinson (second from left), United Way campaign associate, by (left to right): Edward J. Devine, division chairman, Brotherhood of Railway, Airline & Steamship Clerks, one of several unions involved in the SP campaign; P. J. Gallagher, who headed the SP drive; and SP Transportation Company President D. K. McNear.

Southern Pacific people (including those from our affiliates) have once again given generously to United Way and similar community campaigns at some 40 points around the system. In many cases they topped last year's records by considerable amounts. The Company also increased its corporate gift by 10%, donating $306,000 to United Way organizations.

San Francisco Bay Area employees set an all-time record with a United Way gift of nearly $298,000 (funds were still coming in when the big check picture was taken). That's an increase of eight percent over 1977. The number of employees participating also increased, and the per capita gift rose to $45.21 from $41.50 the previous year.

Nine headquarters departments achieved 100% participation or better, and our entire Bay Area drive reached 104% of its campaign goal.

Outstanding records were set by employees of Pacific Fruit Express Company: 342% of goal; the Traffic Department: 125% of goal; and SP Communications Company: 113% of goal. Operating Department employees at headquarters—the largest group in our campaign—reached 101% of their goal, raising nearly $70,000 with 94% participation.

Those who provided the leadership for the SP drive were honored at a victory breakfast hosted by Southern Pacific on November 30. Speakers included President D. K. McNear and P. J. (Pete) Gallagher, assistant to chief special agent, who headed the Bay Area campaign. Vice President L. E. Hoyt served as master of ceremonies.

Mr. McNear praised the SP campaign workers for their "record-breaking achievement," calling it a "great team effort."

The General Office campaign committee included C. E. Neal, retired assistant to chief engineer, who provided extensive volunteer assistance; Edward J. Devine, division chairman for the Brotherhood of Railway & Airline Clerks, representing organized labor; C. C. Robinson and L. C. Washington, Jr., who conducted a training program for solicitors; Joe Carlomagno, publicity and special effects chairman; W. M. Robertson, public relations chairman; Leon V. Claverie, treasurer; and Ann Dellinger, auditor. Also on the committee were: Maurice Economou, W. L. Luque, W. F. Adams and Susan Nunez.

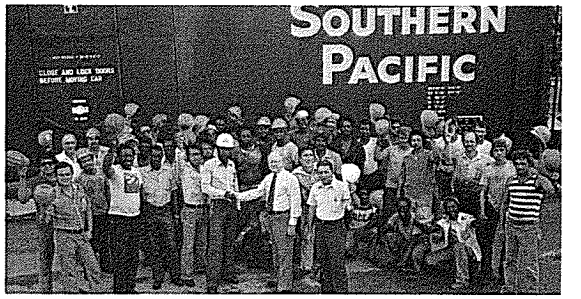
Houston area employees gave $82,333 to the United Fund of Houston and Harris County—a 25% increase over last year's total and the largest amount donated by our people there in the past 20 years.

Co-chairmen of the Houston United Way Drive were D. R. Kirk, assistant vice president, and Frank Dessens, general chairman, United Transportation Union (S).

Employees at the Houston Car Heavy Maintenance Plant, who contributed $16,300—a 58% increase over 1977—played a major part in the success of the Houston drive. Train, engine and switchmen also helped put this campaign "over the top."

Cotton Belt employees at Pine Bluff set a new all-time record with a United Way gift of $43,380—the largest amount ever given by our people there and a 41% increase over 1977. H. E. ("Pinky") Hill, assistant to superintendent, was the campaign chairman.

At Los Angeles, employees of SP and its affiliated companies gave approximately $78,000 to the AID-United Givers campaign. This achievement, too, was the result of a joint union-management effort.

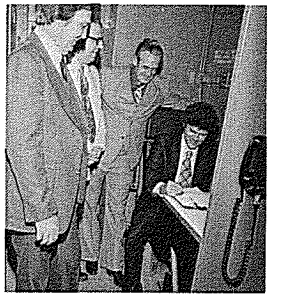


ABOVE: Contributions to the United Fund campaign at Houston's Heavy Car Shop averaged $91 per person. Congratulating Car Foreman C. H. Brooks and the employees at the Shop is Plant Manager F. M. Appelt (right center). BELOW: Ed Parker (left), executive director of United Way in Tucson, visits Jarrod Boystel at the Cerebral Palsy Foundation of Southern Arizona. Looking on are Trainmaster Gordon Toncheff, Fireman Vern Bingham and PFE Car Desk Clerk Tony Benavides.



While final results are not yet available at many locations, here are preliminary figures for some other key points where 1978 results topped the previous year's records. The success of these campaigns was due, in large measure, to active participation by union leadership.

Location	*1978*	*Increase*
Reno-Sparks	$ 3,305	+39%
Sacramento-Roseville	$22,500	+27%
Tucson	$17,423	+24%
Portland	$10,710	+15%
Eugene	$16,850	+10%



Conductor P. O. Stoneburner (right), chairman of UTU Local #293 (C&T), raised $5,300 as a team captain for United Fund drive. Shown with him are team members (left to right): Conductor K. E. Nobles, Engineer J. M. Brunkenhoefer and Conductor D. L. Irby.

Tax Increase for Railroad Retirement

The maximum amount of compensation subject to railroad retirement taxes increased from $1,475 a month to $1,908.33 a month, and the tax rate for employees increased from 6.05 percent to 6.13 percent on January 1, 1979. Railroad employers match the taxes that employees pay and pay an additional 9.5 percent tax applicable to earnings up to $1,575 a month in 1979.

Regular railroad retirement taxes are geared to the social security tax rate and tax base. The retirement tax for railroad employees is in effect the same as for non-railroad employees covered by social security.

The maximum regular railroad retirement tax, for employees earning $1,908.33 or more a month, increases from $89.24 a month in 1978 to $116.98 a month for 1979. For railroad employers, the maximum monthly regular retirement tax increases from $229.36 to $266.61.

In addition to regular retirement taxes, railroad employers also pay supplemental railroad retirement annuity and railroad unemployment-sickness insurance taxes. The supplemental annuity tax rate for each quarter is determined by the Railroad Retirement Board. For the first quarter of 1979, the supplemental annuity tax rate paid by employers will be 12.5¢ per man-hour, an increase from the 1978 rate of 12¢ per man-hour. Throughout 1979, employers will pay a tax of seven percent on the first $400 an employee earns each month to finance the railroad unemployment-sickness benefit program, a decrease from the eight-percent rate effective in 1978.

Don't Keep Secrets

If someone you know at work is an energetic volunteer, actively participates in community affairs, or pursues an interesting avocation, tell the *Bulletin* editor about this person. He or she may be an interesting subject for a "People" feature.

And don't be shy about calling attention to your own accomplishments. Send a few details to *Southern Pacific Bulletin* One Market Plaza, San Francisco, CA 94105.

Shopping for 100,000 Items *Continued from page 5*

chases are made on the basis of competitive bids," the P&M Department head points out. "We take advantage of the downward pressure of competition on prices as one of the best means we have to stretch the Company's purchasing dollars."

On major purchases, like the cars and locomotives being acquired under SP's capital investment program, P&M people work closely with a number of other departments.

When a car purchase program is being considered, for instance, people from the Marketing, Traffic and Transportation Departments develop a priority list of the number and types of cars they feel will offer the best return for SP's investment, taking into account the needs of shippers, our own fleet requirements and other factors.

Using this list, the Traffic, Operating and Treasury Departments jointly recommend a purchase program to the Executive Department. After the program has been approved, the P&M Department requests bids from car builders.

Then, P&M people analyze the quotations, with technical assistance from the Mechanical Department, and — after Executive Department approval — place the order with the successful bidder.

Some car orders contain escalation clauses to cover manufacturers' cost increases during the production process. When we receive a price increase of this type, a P&M representative and an SP auditor check the car builder's books to make sure the price rise is reasonable and proper.

Other methods used by the department to keep costs down include:

• *Protecting prices by making advance commitments.* "We often buy in quantity when we know a price increase is pending," Rose explains. "For example, we recently saved $158,000 by placing an advance order for 3,600 truck tires — several months supply — and the manufacturer agreed to deliver them on an 'as needed' basis. We also use the Company's purchasing power to obtain volume discounts and top quality performance from suppliers whenever we can. Savings from negotiations of this type came to more than $2 million in 1978."

• *Spot purchases.* The majority of SP's diesel fuel is purchased from major suppliers with whom the Company has long-standing commitments made to protect our sources of supply. But these arrangements also allow SP to check the marketplace daily for opportunities to purchase fuel from other refineries (which may have temporary surpluses) at prices below what we normally pay. Spot purchases help the department keep SP's average cost per gallon of fuel the lowest of any major U.S. railroad.

Another important responsibility of the P&M Department is to get maximum return on the sale of SP scrap materials and obsolete or retired equipment. Those items range from scrap iron, steel, brass and paper to old desks, machinery and even worn out cranes. Last year, scrap and surplus sales came to about $14 million.

The department also negotiates for many types of services needed by the Company. Among them are trash and garbage disposal and weed control.

The Company has a fleet of over 6,000 vehicles, of which about 2,500 automobiles and light trucks are leased through arrangements made by the department.

Harry T. Parigini, assistant general purchasing manager, is responsible for all of the department's purchasing activities under Rose. Ralph J. Balanesi, material manager, directs its warehousing operations. Walter E. Whipple, purchasing agent, handles purchasing and warehousing activities for Pacific Fruit Express Company.



General Purchasing Manager D. K. Rose

Five purchasing managers — each specializing in the purchase of particular groups of commodities — report to Parigini. They are: Jordan Coleman (ties and lumber), Carroll C. Evatt (rail, track materials and car parts), Peter J. Filios (new freight cars and locomotives), Harry W. Meedon (track and roadway equipment, trucks and leasing) and William T. Money (fuel and petroleum products).

James L. Warwood, assistant purchasing manager, is in charge of scrap and surplus sales; and Charles Y. Cochran, manager, systems and procedures, handles computer technology.

Heading the department's field offices are James E. Wilson, Sacramento; Kenneth J. Ashworth, Los Angeles; James W. Carroll, Houston; and David E. Ellis, Pine Bluff. Holding similar posts for PFE at Roseville and Tucson respectively are Les J. Overy and A. Raymond Haines.

Each purchasing manager functions, with the aid of buyers and other P&M people on his staff, as a miniature purchasing department, handling the entire purchasing procedure from requesting prices to checking on deliveries.

"Fitting together all the interlocking pieces of a big order, which may contain a dozen or more items with different delivery dates, is a complex task," Rose says. "Our purchasing people must be professionals with an expert knowledge of materials, equipment, sources, loading and shipping methods, delivery schedules and many other matters.

"We're extremely proud that nine of our people have been named 'Certified Purchasing Managers' by the National Association of Purchasing Management."

"Furnishing all the materials and equipment needed by a great transportation system is a king-sized responsibility," Rose adds. "For us in the Purchases & Materials Department, obtaining the best quality at the lowest cost delivered on a timely basis is a daily challenge." □

APPOINTMENTS

INDUSTRIAL RELATIONS DEPARTMENT: At San Francisco: N. D. Mann *to assistant manager of personnel-employment*; L. C. Chapman *to supervisor of personnel services*. Ellen M. O'Donnell *to supervisor of employment*.

MECHANICAL DEPARTMENT: At San Francisco: D. M. Krenn *to manager-mechanical training*.

OPERATING DEPARTMENT: At Houston: O. L. Jackson *to senior assistant terminal superintendent*; R. L. Nobles *to trainmaster*; at Oakland: C. R. Mueller *to assistant terminal superintendent*; at Eugene: E. S. Johnson *to assistant terminal superintendent*; at Los Angeles: H. D. Day *to road foreman of engines*; at Cerritos: D. R. McCall *to rules and training officer*; at Roseville: S. D. Sims *to assistant trainmaster*.

PACIFIC MOTOR TRUCKING COMPANY: At Burlingame: W. W. Zenner *to manager, audits and document control*. L. C. Dunkle *to operating engineer*.

PURCHASES & MATERIALS DEPARTMENT: At San Francisco: C. Y. Cochran *to manager, systems and procedures*; at Sacramento: C. S. Winegar and J. R. Cino, *both to assistant manager, purchasing and services*.

SP LAND COMPANY: At San Francisco: P. J. Olander *to building superintendent*. S. Lopez *to assistant building superintendent*.

TRAFFIC DEPARTMENT: At San Francisco: S. G. Lautsch *to product manager*; R. L. Cannon *to manager, market development, metals*; W. W. Jenkins *to service manager*; L. A. White *to manager, market development, transportation and consumer products*. Mrs. K. A. Holt *to manager, special projects*; E. W. Anderson *to manager, market development, bulk services*; W. A. Sellier and T. J. Biggins, *both to assistant manager, market development*; P. J. Johnson *to assistant office manager*; J. R. Penrose *to manager of sales administration*; P. M. McNamee *to manager-national accounts*; J. D. Frazier *to assistant manager-sales development*; C. H. Foster *to sales representative*; N. R. Kirsch *to manager, intermodal business planning*; at Sacramento: J. J. Speight *to assistant district sales manager*; at San Jose: M. C. Goss *to assistant district sales manager*; at Chicago: A. J. McLean *to sales representative*; at Vancouver: H. C. Gallagher *to sales representative*.

RETIREMENTS

GENERAL OFFICE, SAN FRANCISCO: R. E. Beaumont, *senior rate clerk*; M. K. Cordone, *mail & file clerk*; E. S. Deans, *senior cashier*; A. G. Gagnon, *senior rate and division clerk*; C. L. Green, *voucher certifier*; K. C. Marble, *janitor*; A. O. Richardson, *head clerk*; M. H. Skinn, *comptometer operator*; H. Stephens, *janitress*.

HOUSTON DIVISION AND REPAIR PLANTS: W. G. Green, *yard helper*; G. W. Halsell, *freight carman*; R. A. Jefferson, *train attendant*; R. Koehn, *car foreman*; B. P. Luck, *B&B foreman*; C. W. Lynch, *conductor*; O. Nordloh, *lead investigator*; O. C. Welch, *engine foreman*; L. E. Williams, *general clerk*; I. C. Williamson and H. H. Yancey, *locomotive engineers*.

LAFAYETTE DIVISION: J. P. Castille and D. G. Duhon, *brakemen*; P. R. Granier, *conductor*; D. Moss, *brakeman*; G. J. Welraven, *locomotive engineer*.

LOS ANGELES DIVISION AND REPAIR PLANTS: S. M. Benitez, *laborer*; R. M. Bohenski, *welder*; S. Bozzano, *brakeman*; K. W. Cope, *head clerk*; C. M. Emery and J. R. Fletcher, *yard helpers*; R. G. Fernandez, *sheet metal worker*; A. Garza, *clerk*; R. B. Hernandez, *track walker*; V. M. Lary, *investigator*; L. E. Lefebvre, *yard helper*; G. Madrigal, *machinist foreman*; E. M. McKenzie and R. H. Moore, *locomotive engineers*; J. R. Rios and L. L. Rodriquez, *laborers*; D. W. Runyan, *locomotive engineer*; J. O. Starr, *conductor*; L. P. Valle, *tamper operator*; J. B. Weldrick, *locomotive engineer*; B. W. Woodring, *electrician*.

OREGON DIVISION: H. H. Carrick and E. L. Carson, *conductors*. D. Clinton, *freight carman*; K. D. Cosler and C. T. Harrison, *yard helpers*; W. D. Longmore, *district sales manager*; E. E. Newlun, *conductor*; A. Sneer, *yard helper*; R. L. Staley, *computer operator*; G. M. Taylor, *conductor*; A. A. Ward, *engine foreman*.

SACRAMENTO DIVISION AND REPAIR PLANTS: F. Bruno, *yard helper*; C. S. Christenson, *locomotive engineer*; V. L. Flowerdew, *lead supplyman*; R. R. Garcia and F. Gonzales, *laborers*; T. Guerra, *test rack operator*; A. R. Hernandez, *ballast tamper operator*; D. Kerft, *clerk*; C. A. Madsen, *machinist*; T. W. Marley, *conductor*; R. L. Parker, *lift truck operator*; F. Shaw, *electrician*; S. Upshaw, *laborer*; R. E. Ward, *engine foreman*; L. M. Willis, *car inspector*.

SAN ANTONIO DIVISION: P. F. Johns, R. R. Pruett and M. Traweek, *locomotive engineers*.

TUCSON DIVISION: T. D. Baker, *locomotive engineer*; A. D. Luna, *car inspector*; F. L. Oliver, *yard helper*; C. J. Sullivan and R. J. Upham, *assistant engineers*.



Toy Program Gets Boost from Employees

Edith M. Hill, a lead distribution clerk in Property Accounts in San Francisco, presents Firemen Mike Chapman (left) and Greg Wyman with a check for $205 to be used for the Fire Department's "Firefighter's Toy Program." The program, now in its 28th year, provides toys to 14,000 needy children in the Bay Area during the holidays. Edith raised the money and donated it in memory of Lead Distribution Clerk George L. Smith, who died last year.

WESTERN DIVISION: J. B. Adams, *conductor*; A. Chance, *coach cleaner*; J. L. Collins, *fork lift operator*; C. W. Davis, *conductor*; R. J. Edwards, *locomotive engineer*; J. L. Ferreira, *carpenter*; C. J. Lane, *conductor*; H. Lencioni, C. J. Laux and J. R. McHale, *locomotive engineers*; C. E. May, *brakeman*; L. E. Rice, *rate clerk*; W. D. Sheets, *machinist*; N. A. Sickal, *secretary*; G. L. Spuerlein, *locomotive engineer*; R. W. Vandiver, *sheet metal worker*.

COTTON BELT: C. M. Adams, *locomotive engineer*. C. Easley, *machine operator*; H. J. McFarland, *logistics coordinator*; J. D. Self, *motor truck operator*; H. E. Stanley, *locomotive engineer*.

OTHERS: D. J. Schunk, *rate & revising clerk, NWP*.

DEATHS

GENERAL OFFICE, SAN FRANCISCO: Pensioners: H. A. Glaves, S. Henderson and E. L. Miller, *clerks*.

HOUSTON DIVISION AND REPAIR PLANTS: Pensioners: H. Collins, *clerk*; J. Davis, *carman*; T. Harris, *gang leader*; J. P. Laney, *conductor*; J. N. Lopez, *machinist*; R. H. Merlan, *boilermaker*; A. Payton and F. F. Rector, *laborers*; W. Thomas, *machinist helper*; F. M. Wilsie, *towerman*.

LAFAYETTE DIVISION: Pensioner: D. Shelton, *laborer*.

LOS ANGELES DIVISION AND REPAIR PLANTS: T. H. Hinss, *clerk*; M. N. Lattimer, *secretary*. Pensioners: A. Beltran, *electrician*; C. V. Brown, *signalman*; L. Castillo, *machinist helper*; R. R. Crowe, *car repairman*; J. L. Green, *train crew dispatcher*; A. G. Griffin, *coach cleaner*; J. E. Hilliard, *conductor*; R. V. Hubbel, *clerk*; G. E. Jesse, *boilermaker*; W. Jones, *carman helper*; W. C. Lee, *switchman*; H. McCleary, *lead car inspector*; Y. Nietro, *yardman*; J. F. Olivier, *switchman*; K. D. Patterson, *engine foreman*; A. O. Roman, *sheetmetal worker*; R. F. Stock, G. W. Tuttle and R. E. Wilson, *locomotive engineers*.

OREGON DIVISION: J. D. Brinson, *conductor*. Pensioners: C. G. Camp, *laborer*; L. Flannery, *locomotive engineer*; E. D. Lincoln, *assistant engineer*; J. B. Lucas, *yardman*; J. W. Main and R. B. St. Onge, *conductors*; M. Radcliff, *B&B foreman*; J. W. Thompson, *clerk*; L. S. Widener, *laborer*; H. A. Woodruff, *locomotive engineer*; R. W. Zenker, *signalman*.

SACRAMENTO DIVISION AND REPAIR PLANTS: E. R. Erickson, *clerk*; R. E. Haynes, *switchman*; W. C. Rickhardt, *conductor*; D. Roylance, *train crew dispatcher*; M. M. Varela, *track laborer*. Pensioners: G. R. Allen, *sheetmetal worker*; T. Babich, *blacksmith helper*; J. J. Barbagelata, *loader*; F. Chavez, *foreman*; A. N. DeLong and J. C. Dudley, *machinists*; C. S. Heeney, *yardman*; S. G. Holland, *heavy fire helper*; C. M. Hulse, *yardmaster*; W. G. Knight, *car foreman*; L. E. Lovelace, *brakeman*; D. S. Perry, *carman*; A. W. Reimann, *clerk*; G. F. Rowe, *locomotive engineer*; H. Silva, *track foreman*; T. J. Tracy, *conductor*.

SAN ANTONIO DIVISION: L. G. Adams, *clerk*; D. M. Arlitt, *track laborer*; J. R. Bingham, *carman*. Pensioners: P. Garcia, *laborer*; J. N. Harris, *gang leader*; O. H. Jung, *foreman*; J. L. Kersey, *locomotive engineer*; M. A. Ludwig, *dispatcher*; J. T. Meador, *engine foreman*; C. E. Milligan, *brakeman*; E. Shindler, *engineer*; J. E. Taylor, *locomotive engineer*.

TUCSON DIVISION: Pensioners: C. E. Blank and C. C. Dallas, *conductors*; E. S. Crehan, *switchman*; G. B. Eckhart, *clerk-baggageman*; E. Gallardo, *boilermaker helper*; E. Gonzalez and L. Hallian, *laborers*; A. R. McIntyre, *car foreman*; J. Z. Molinar, *sheetmetal worker*; J. H. Penny, *switchman*; M. O. Petty, *locomotive engineer*; Y. Reyes, *carman*; R. D. Stone, *switchman*; G. Valdez, *laborer*.

WESTERN DIVISION: D. L. Ellis, *clerk*. Pensioners: R. N. Bears, *carman*; O. D. Burpee, *car inspector*; J. C. Henderson, *waiter*; O. Herrera, *laborer*; I. Kamar, *carman*; L. T. Loper, *foreman*; W. P. Mortensen, *clerk-baggageman*; L. G. Murphy, *agent-telegrapher*; J. T. O'Connor, F. P. Smith and P. A. Staudenmaier, *conductors*; G. L. Schuller, *switchman*; F. A. Trigueros, *machinist*. C. R. Walden, *shop car inspector*.

COTTON BELT: R. C. Gentry, *blacksmith welder* and C. I. Price, *electrician*.

OTHERS: J. E. Hubacek, *sales representative*, Chicago; J. E. Rubira, *conductor*, NWP. Pensioner: W. S. Buoy, *welder*, LAUPT

A New, Bright Caboose Light

All 930 cabooses on our system lines are getting new, more powerful marker lights like the one shown on this unit at Spofford, Texas. The new lights, installed in compliance with Federal Railroad Administration regulations, have more than twice the candle power of our former marker lights. They are designed to direct a red-orange beam toward the rear of the train which can be seen from a considerable distance. Installation work, now about half completed, is underway at our Car Heavy Maintenance Plants and at various one-spot car repair facilities around the system.

